

Exhibit \_\_\_\_

Docket Nos. CP04-36 et al.  
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**Direct Testimony of the Hon. EDWARD M. LAMBERT, Jr.  
Mayor, Fall River, Massachusetts**

1 Q. Please state your name, the position that you hold, and your business address.

2 A. Edward M. Lambert, Jr. I am the Mayor of Fall River, Massachusetts. My  
3 address is One Government Center, Fall River, Massachusetts, 02722.

4 Q. For how long have you served as Mayor of the City of Fall River?

5 A. I have served as Mayor of Fall River for nine and one-half years.

6 Q. Before undertaking your current responsibilities as Mayor, did you hold other  
7 elected office?

8 A. Yes. I served as State representative for seven years and I was a member of the  
9 School Committee for ten years.

10 Q. Please summarize your educational and professional background.

11 A. I earned a BA in Psychology from Umass Dartmouth in 1981 and a M. Ed. In  
12 Counseling from Bridgewater State College in 1984. Between 1977 and 1988 I  
13 was employed at the St. Vincent's Home, Fall River, MA initially as a Child Care  
14 Worker, then as a Social Worker, and ultimately as the Director of Social  
15 Services.

1 Q. Mayor Lambert, it is not typical for the Mayor of a City to appear before this  
2 Commission. Why have you chosen to do so in this proceeding?

3 A. As the Mayor of Fall River I have two overarching responsibilities: to protect the  
4 health and well being of my constituents and to guide the redevelopment of the  
5 City so that those constituents might realize the economic opportunities and  
6 quality of life that all Americans have a right to expect. The Weaver's Cove  
7 project seriously threatens those goals, placing the lives of the people of Fall  
8 River in jeopardy and taking away any hope they have for a future based on the  
9 economic strength of our community.

10 The recent report from the Sandia National Laboratories refers to the high  
11 consequence event that could occur as the result of an accident or attack on a  
12 tanker ship or the terminal itself, jeopardizing the 9000 individuals who reside  
13 within one mile of the terminal and the tens of thousands who live along the shore  
14 where the tankers would traverse through 25 miles of congested coastline.

15 From a public safety perspective, this project makes no sense, when the  
16 alternatives of offshore facilities and remote siting exist. It is wrong, in this post  
17 9/11 world, to paint a bulls-eye on a working-class community and ask us to bear  
18 the risk of increasing the region's energy supplies with our lives and property. In  
19 the face of ready alternatives, that risk is unacceptable.

1 Q. Can you describe the constituency of the population that resides in the area  
2 contiguous to the proposed Weaver's Cove site and therefore the population that  
3 will be most uniquely affected were the project to go forward?

4 A. The area closest to the proposed Weaver's Cove site is home to a densely  
5 populated neighborhood, with a significant representation of immigrant and  
6 working class families in census tracts that are among the most economically  
7 challenged in our city, including the residents of two public housing  
8 developments that are located within approximately ½ mile of the proposed site.

9 Q. Mayor Lambert, why do you believe the issues you have raised, whether it be the  
10 safety concerns or the negative economic impacts that would be associated with  
11 the Weaver's Cove proposal, should be of relevance to the Commission in this  
12 proceeding?

13 A. I have been advised that before the Commission may authorize the certification of  
14 an LNG facility, it must first be able to find that certification would not be  
15 "inconsistent with the public interest." The historic prejudice that has been  
16 suffered by the City of Fall River and by its citizens, and the efforts that are  
17 underway to provide the City and those citizens with a more hopeful future, are  
18 unavoidably relevant to that required determination. The relevance of significant  
19 safety concerns should be obvious.

20 Q. Please explain what causes you to reach those conclusions.

1     A.     Those of us who share responsibility for the future of Fall River and for the well  
2           being of its citizens have reached the conclusion that if the Weaver's Cove  
3           proposal were authorized to go forward the adverse public interest consequences  
4           would be nothing short of horrendous. We would have imposed upon us, within  
5           the very heart of our City and upon its waterways, a safety hazard of  
6           unprecedented scope, the mere presence of which would utterly destroy any hope  
7           that we otherwise would have for the successful revitalization of Fall River and of  
8           its surrounding areas.

9     Q.     Are you sharing those analyses and the advice that you have received from the  
10           experts with the Commission?

11    A.     I most certainly am. Fall River is presenting its position through the testimony of  
12           a variety of experts addressing many of the more significant issues raised by the  
13           Weaver's Cove proposal.

14           The City is indeed fortunate to have available to it, and it is pleased to be able to  
15           share with the Commission, the testimony of the two foremost experts on the  
16           safety implications of LNG storage and tanker shipment – Dr. Jerry Havens and  
17           Dr. Harry West. Dr. Havens literally “wrote the book” on LNG safety protocols  
18           and both he and Dr. West serve regularly as government and industry consultants  
19           on this subject and are called upon both for the design of preventive measures and  
20           to investigate the causes and effects when problems do occur at LNG  
21           installations. My office contacted Dr. Havens early on as we began to have  
22           concerns about the safety implications of the proposed Weaver's Cove terminal

1 and the tanker shipments that would be associated with operation of that terminal.

2 Dr. Havens, and subsequently Dr. West, made it painfully clear to us that our  
3 safety concerns not only were well founded, but that the threat to our population  
4 was, if anything, far greater than we had dared even to imagine. The one  
5 overriding reality that concerns me is the recognition, denied by no one, that  
6 notwithstanding the adoption of every available preventive measure that money  
7 can buy, and even assuming an unlimited checkbook, it would not be possible to  
8 assure the avoidance either of an accident or of a deliberate attack at the terminal  
9 site or at a tanker while in our City's closely confined waterways. Given that  
10 indisputable fact, the question then comes down to the acceptability of the risk.  
11 As a Mayor, I understand fully that it sometimes is necessary to go forward on a  
12 certain course of action notwithstanding the inability to eliminate all risks to the  
13 public. It is a choice that we sometimes must make to secure the greater public  
14 good when there are no safer alternatives available. But where the consequences  
15 to the public would truly be horrific, the fact that the risk of occurrence might be  
16 slight cannot possibly justify the decision by a responsible public official to go  
17 forward. It cannot possibly sanction the acceptance of that risk in any  
18 circumstance, but most assuredly not in the presence of available alternatives that  
19 have the full capacity to satisfy fulfillment of the desired public benefit but  
20 eliminate the risk that could prove cataclysmic.

21 The magnitude of the risk that would be thrust upon our city were the Weaver's  
22 Cove proposal authorized to go forward is made graphically apparent in the  
23 testimony of Richard Clarke, one of the foremost authorities on the threats of

1 terrorism. Distilled to its essence, that testimony establishes that Weaver's Cove  
2 would present terrorists with precisely the type of target they value most highly.

3 Q. What in the analyses of Drs. Havens and West led you to the conclusion that  
4 acceptance of the risks that would be associated with the Weaver's Cove project  
5 could not be reconciled with preservation of the public interest?

6 A. The analyses prepared by Drs. Havens and West make it clear that the possibility  
7 of an accidental or an intentional release of LNG cannot be eliminated and that  
8 the public health consequences of such a release would place thousands of our  
9 citizens in immediate danger. When I heard their conclusions I immediately  
10 called upon our Police Chief, Fire Chief and Director of Emergency Services to  
11 analyze the capability that we would have to minimize the risk of intentional  
12 attack and to evacuate safely our population in the event of either an accidental or  
13 an intentional release of LNG. We are also submitting their testimony wherein  
14 they summarize the conclusions that each of them have reached. It is not  
15 surprising that they are unable to provide any assurance that the risk of intentional  
16 attack in fact can be eliminated. The location of the onshore facility and the route  
17 of the tanker shipments simply present too many opportunities for assault activity  
18 to escape undetected. What is perhaps even more disturbing is the complexity  
19 and improbability of successful rescue efforts following either an accidental on  
20 intentional breach of LNG containment.

21 Q. Is the inability to eliminate the risks described in those pieces of testimony the  
22 principal reason why you have concluded that the ability of Fall River to achieve

1 economic revitalization would be forfeited were the Weaver's Cove proposal to  
2 go forward?

3 A. Absolutely. There would be a serious impact on property values. No residential  
4 or commercial entity would seek to move in or near a zone where such a threat  
5 exists, either near the installation or along the shoreline where tankers would pass  
6 more than twice a week. The ripple effect would damage the integrity and quality  
7 of all of our waterfront and our ability to develop that natural resource for  
8 furtherance of the public good would be severely impacted. Moreover, existing  
9 amenities which currently attract hundreds of thousands of tourists to Fall River's  
10 waterfront, like Battleship Cove, would suffer as well and the fledgling cruise  
11 ship industry that we have nurtured would virtually cease if this proposal goes  
12 forward.

13 Further, the potential closure of the Braga Bridge, an Interstate Highway that the  
14 tankers would have to pass under, would have devastating consequences for our  
15 economy and for public safety, and would produce traffic nightmares for the  
16 entire region.

17 Certainly, while the public safety impact remains our primary concern, the  
18 impacts on our economy and on the City's fabric would likewise be devastating, a  
19 point further developed in the testimony of the Executive Vice President of our  
20 Office Economic Development, Mr. Kenneth Fiola.

21 Q. What is the state of Fall River's economy?

1     A.     Fall River has always been a place of opportunity for average working class  
2           Americans. We are not what others might consider a wealthy community, but we  
3           have been fortunate through most of our history that manufacturing did provide  
4           employment opportunities for our population. Our history is marked with highs  
5           and lows in the area of employment, subjected, often, to the whims of National  
6           Trade policies, which impact our work force. Our hard working families have  
7           been provided the opportunity to live comfortably and to provide for their  
8           children, but that situation is changing for many of my neighbors. The  
9           manufacturing jobs that have provided the mainstay for the economic well being  
10          of our citizens and our community have begun to move elsewhere, particularly  
11          overseas. Fall River, and its citizens have fallen victim to our Nation's inability  
12          to develop and to implement a coherent trade policy.

13    Q.     Is the City also offering testimony directed to the environmental impacts of the  
14           Weaver's Cove proposal?

15    A.     Yes, we are providing the testimony of Carol Wasserman. Because of the  
16           predominance of the safety implications, it is easy to lose sight of the fact that the  
17           proposed Weaver's Cove development presents very significant environmental  
18           concerns. As the Commission well knows, many of those concerns have been  
19           advanced by the expert federal and state agencies that have jurisdiction over the  
20           particular environmental activity or effect. I would have thought the articulation  
21           of those concerns by those responsible agencies would have been enough to halt  
22           the efforts of the proponents of Weaver's Cove, particularly as many of the most



1 adverse consequences are not capable of satisfactory remediation. Of particular  
2 concern is the multi-year dredging of the Taunton River that would be required. I  
3 have asked our expert to address this, and other environmental issues in part  
4 because of the dismissive attitude displayed by the Applicant, and by the  
5 Commission, toward offshore LNG alternatives. Major energy projects cannot be  
6 accomplished without sustaining some amount of environmental disruption. The  
7 question is the extent and character of that destruction. As will be clear from the  
8 testimony that we offer, in the case of Weaver's Cove, the extent and character is  
9 unacceptable.

10 Q. Mayor Lambert, what you say thus far is all well and good but would you take  
11 issue with the fact that the New England region requires incremental supplies of  
12 natural gas?

13 A. I absolutely agree that the New England region requires additional supplies of  
14 natural gas. In fact, it would not be possible for us in Fall River to succeed with  
15 our economic revitalization efforts without the assurance that natural gas will be  
16 available to meet the growing needs of our region. The City of Fall River,  
17 therefore, stands ready to support and to work constructively toward the  
18 certification and the expeditious development of additional natural gas supply  
19 projects. Our opposition is not to the certification of a new LNG project, even to  
20 one that would be located within the New England region. We do believe it to be  
21 absolutely essential, before any project is certificated, that all projects capable of  
22 serving the region's growing need be analyzed fairly and comparatively. The fact

1 is that there are projects that stand ready to meet that regional need in a way that  
2 would avoid imposing on the citizens of the region the horrific public health  
3 consequences that would be associated with either an intentional or an accidental  
4 release from Weaver's Cove or from a tanker while traversing our in-land  
5 waterways. Moreover, the irony is that those alternatives are likely to make  
6 incremental supplies of natural gas available to the New England region many  
7 years earlier than would be possible from Weaver's Cove. The Weaver's Cove  
8 proposal cannot become operational any earlier than 2010 because of the need to  
9 build a new Brightman Street Bridge and thereafter to remove the existing  
10 structure. Indeed, not even that in-service date could be achieved if the  
11 Commission were to respect fully the recommendations of NOAA with respect  
12 dredging operations.

13 Q. Mayor Lambert, do you have any concluding observations?

14 A. I do. If anyone would have asked me, following the events of 9/11, whether it  
15 might ever be necessary for me to appear before the Commission to urge that it  
16 not sanction the location of a massive LNG terminal in the heart of Fall River,  
17 that it not permit a project to go forward that would require LNG tankers to travel  
18 more than 25 miles of congested narrow in-land waterways in close proximity to  
19 population and recreational centers, I would not have believed such a proposal  
20 possible. Don't we already have enough threats to safeguard? In hindsight, the  
21 placement of the terminal in Everett, Massachusetts was a mistake, one that  
22 should not be repeated here. Of course we have threats enough to command all

1 the surveillance and protective resources that are available. What is incredible to  
2 me is that there are some among us in the country who have chosen to ignore the  
3 lessons of 9/11 and would consider decisions that place Americans in harm's way  
4 for no reason at all. I urge the Commission not to forget those lessons,  
5 particularly in light of the existence of alternatives to Weaver's Cove that would  
6 spare our City and its citizens of consequences, the acceptance of which,  
7 measured by any reasonable standard, cannot be reconciled with protection of the  
8 public interest.

9 Q. Has the situation and the prospects for the future begun to change?

10 A. We in Fall River unquestionably have a renewed hope. As a community we  
11 decided some years ago to take command of our economic future, to take personal  
12 responsibility for reclaiming the American dream. We have built a new economy,  
13 which provides a greater mix of business types, a diversification that depends on a  
14 range of activities, commercial and otherwise. We have created a sense of hope  
15 that our City is moving forward and we have developed plans for our waterfront,  
16 for a technology park and an executive office park and for the aggressive reuse of  
17 our City's mill buildings. We are utilizing tax breaks and other inducements to  
18 create a business friendly environment. The effort that has been expended has  
19 produced results that are most encouraging. We were reminded of how much our  
20 community has to offer. We were made aware that if we could effectively  
21 marshal the resources that we are fortunate to have, it would be possible to turn  
22 the corner; That it would be possible to take Fall River from its dependence on

1 certain industries and to diversify our economy to bring a new, bright future;  
2 That it is yet possible to bring Fall River to a future that provides opportunities for  
3 our families, that can provide the children of those families the opportunity to  
4 remain in the community that is their home, and that can attract families from  
5 outside to join us as neighbors. However, the Weaver's Cove proposal, if it goes  
6 forward, will seriously damage these efforts and send the wrong message to  
7 businesses and investors. I should note the opposition of the Fall River Chamber  
8 of Commerce to this project as a harbinger of how detrimental to future economic  
9 prospects this project would be.

10 Q. Does this conclude your testimony?

11 A. yes.

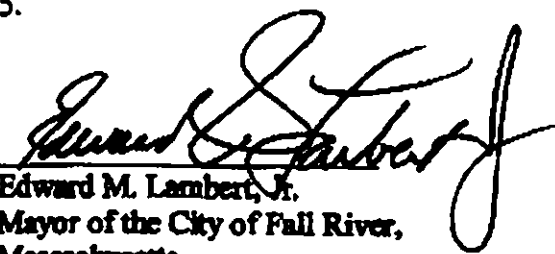
**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

<div style="display: flex; justify-content: space-between; align-items: center;"><div>Weaver's Cove Energy, L.L.C. and Mill River Pipeline, L.L. C.</div><div style="font-size: 2em; line-height: 1;">) ) ) ) )</div></div>	Docket Nos. CP04-36-000, CP04-41-000, CP04-42-000, and CP04-43-000
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**DECLARATION OF WITNESS**

I, Edward M. Lambert, Jr., declare under penalty of perjury that the statements contained in the Prepared Direct Testimony of Edward M. Lambert, Jr. on behalf of the City of Fall River and the Attorney General of the Commonwealth of Massachusetts in this proceeding are true and correct to the best of my knowledge, information, and belief.

Executed on this 7<sup>th</sup> day of June, 2005.

  
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Edward M. Lambert, Jr.  
Mayor of the City of Fall River,  
Massachusetts